GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5439
ANSWERED ON:15.05.2007
BAN ON FDI IN RUSSIA
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the retail trading by foreign companies has been banned in Russia;

(b) if so, the details thereof;

(c) whether many other countries have also imposed ban on retail trading by foreign companies;

(d) if so, the details thereof;

(e) the details and name of countries where retail trading by foreign countries is permitted; and

(f) the details of terms and conditions under which retail trading has been permitted in our country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI ASHWANI KUMAR)

(a) to (e): Details about policies on foreign investment in other countries are not maintained.

(f): Foreign Direct Investment (FDI) in retail trading is not allowed. However, Government has allowed FDI up to 51%, with prior Government approval, in retail trade of 'Single Brand' products subject to the conditions:

i. FDI up to 51% would be allowed, with prior Government approval, for retail trade of Single Brand Products;

ii. Products to be sold should be of a 'Single Brand' only;

iii. Products should be sold under the same brand internationally; and

iv. 'Single Brand' product-retailing would cover only products which are branded during manufacturing.